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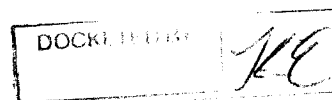
DOUG LITTLE – Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

IN THE MATTER OF THE APPLICATION OF
EPCOR WATER ARIZONA, INC., AN ARIZONA
CORPORATION, FOR A DETERMINATION OF
THE CURRENT FAIR VALUE OF ITS UTILITY
PLANT AND PROPERTY AND FOR
INCREASES/DECREASES IN ITS RATES AND
CHARGES BASED THEREON FOR UTILITY
SERVICE BY ITS AGUA FRIA, ANTHEM,
MOHAVE, SUN CITY, AND SUN CITY WEST
WASTEWATER DISTRICTS AND FOR
CONSIDERATION OF CONSOLIDATION AND
DE-CONSOLIDATION PROPOSALS.

DOCKET NO. WS-01303A-16-0145

Arizona Corporation Commission
DOCKETED

AUG 17 2016



PROCEDURAL ORDER

BY THE COMMISSION:

On April 29, 2016, EPCOR Water Arizona, Inc. (“EPCOR”) filed with the Arizona Corporation Commission (“Commission”) an application for a determination of the fair value of its utility plant and property and for increases/decreases in its rates and charges for wastewater utility service in its Agua Fria, Anthem, Mohave, Sun City, and Sun City West Wastewater Districts and for consideration of consolidation and deconsolidation proposals.

From May 11 through 24, 2016, Motions to Intervene were filed by Sun City Home Owners Association (“Sun City HOA”), Frederick Botha, Verrado Community Association, Inc. (“Verrado”), DMB Verrado Golf I LLC (“Verrado Golf”) and Verrado ARC LLC (“Verrado ARC”), Western Infrastructure Sustainability Effort (“WISE”), Douglas Edwards, Diane Smith, and Corte Bella Country Club Association (“CBCCA”). Additionally, Verrado, Verrado Golf, and Verrado ARC filed their Consent to Email Service, and their counsel sent a verification email to the Hearing Division.

On May 27, 2016, the Commission’s Utilities Division (“Staff”) issued a Letter of Sufficiency pursuant to Arizona Administrative Code (“A.A.C.”) R14-2-103, classifying EPCOR as a Class A utility. Additionally, Sun City HOA filed a Consent to Email Service.

1 On May 31 and June 1, 2016, respectively, Motions to Intervene were filed by the Residential
2 Utility Consumer Office ("RUCO") and the Property Owners and Residents Association ("PORA") of
3 Sun City West ("SCW").

4 On June 3, 2016, a Procedural Order was issued scheduling the hearing in this matter to
5 commence on January 23, 2017, and establishing other procedural requirements and deadlines. The
6 Procedural Order also granted intervention to Sun City HOA, Frederick Botha, Verrado, Verrado Golf,
7 Verrado ARC, WISE, Douglas Edwards, Diane Smith, and CBCCA and approved email service for
8 Verrado, Verrado Golf, and Verrado ARC.

9 On June 6, 2016, Sun City HOA sent a verification email to the Hearing Division.

10 On June 7, 2016, EPCOR filed a letter indicating that the notice required by the Procedural
11 Order of June 3, 2016, would be mailed in a separate direct mailing rather than as a bill insert because
12 it was not possible to include the notice in a bill insert prior to July 1, 2016.¹

13 On June 9, 2016, EPCOR filed a letter indicating that the notice in the Procedural Order
14 included a typographical error, which would be corrected in the public notice.²

15 On June 13, 2016, a Procedural Order was issued granting intervention to RUCO and SCW
16 PORA and approving email service for Sun City HOA.

17 On June 15, 2016, SCW PORA filed a Consent to Email Service, and its representative sent a
18 verification email to the Hearing Division.

19 On June 16, 2016, a Procedural Order was issued approving email service for SCW PORA.

20 On June 23 and 24, 2016, Frederick G. Botha filed a Consent to Email Service and sent a
21 verification email to the Hearing Division.

22 On June 24, 2016, a Motion to Intervene was filed for the Cross River Homeowners Association
23 ("Cross River HOA") by Frances A. Noe, Chairman of the Advisory Committee for the Cross River
24 HOA, including a signed statement from Cross River HOA's President confirming that Ms. Noe had
25 been appointed to serve as Cross River's representative in this matter. The service list included on the
26 Motion to Intervene did not include all of the parties to this matter as of the date it was filed.

27 ¹ EPCOR's proposed form of mailing notice was appropriate.

28 ² The error was included in the Direct Testimony of Sheryl Hubbard at page 5. Correcting it in the public notice was appropriate.

1 On June 29 and 30, 2016, EPCOR filed a Consent to Email Service and sent verification emails
2 to the Hearing Division.

3 On June 30, 2016, Consents to Email Service were filed for Cross River HOA, Diane Smith,
4 Douglas Edwards, and CBCCA.

5 On July 1, 2016, an Application to Intervene was filed by the Anthem Community Council, Inc.
6 ("Anthem"), identifying Jenna R. Kohl, Community Executive Officer, and Roger G. Willis, Vice
7 President of Anthem and Chair of the Anthem Utilities Panel, as its representatives for this matter and
8 providing a statement to that effect signed by the President of Anthem's Board of Directors. Anthem
9 also filed a Consent to Email Service. The Hearing Division received verification emails from Anthem
10 on June 30 and July 1, 2016.

11 On July 6, 2016, an Intervenor Request was filed by Willard R. Hansen. Although Mr. Hansen
12 stated that he had sent a copy of his Intervenor Request to EPCOR, he did not indicate that he had also
13 sent the Intervenor Request to all of the other parties to this matter.

14 Also on July 6, 2016, EPCOR filed a Notice of Filing Affidavits of Publication and Mailing,
15 including affidavits of publication showing that the prescribed notice had been published in the *Mohave*
16 *Daily News* on June 22, 2016, and in *The Arizona Republic* on June 24, 2016, and an affidavit of mailing
17 stating that the prescribed notice had been mailed to the billing addresses for EPCOR's customers in
18 the Agua Fria, Anthem, Mohave, Sun City, and Sun City West wastewater districts on June 29, 2016.

19 On July 7, 2016, a Procedural Order was issued granting intervention to Anthem and approving
20 email service consent for Frederick Botha, EPCOR, and Anthem. The Procedural Order also required
21 Cross River HOA and Willard Hansen to provide service of their respective requests for intervention
22 and to make filings showing that such service has been made.³

23 On July 11, 2016, Willard Hansen filed a letter stating that he had mailed a copy of his request
24 for intervention to each intervenor listed on an attached copy of the Commission's eDocket service list
25 printed July 7, 2016.

26 On July 13, 2016, Cross River HOA filed an Amended to Provide Service Motion to Intervene

27
28 ³ The Procedural Order further established that the requests for intervention filed by Cross River HOA and Willard Hansen would not be deemed denied if not approved within 20 days of their original filing dates.

1 showing that service had been made to EPCOR or its counsel of record and to all parties of record in
2 this case, with an attached service list including the parties of record.

3 On July 14, 2016, the Arizona Investment Council ("AIC") filed a Motion for Leave to
4 Intervene and a Consent to Email Service.

5 On July 15, 2016, Russell Ranch Homeowners' Association, Inc. ("Russell Ranch HOA") filed
6 an Application for Leave to Intervene and Consent to Service Via E-Mail.

7 On July 19, 20, and 21, 2016, the Hearing Division received verification emails from the
8 designated email addresses for Douglas Edwards, Diane Smith, CBCCA, Cross River HOA, and AIC.

9 On July 22, 2016, EPCOR filed a Notice of Errata regarding an exhibit that had been
10 inadvertently omitted from the direct testimony of Thomas Bourassa. EPCOR included a copy of the
11 exhibit.

12 On July 25, 2016, Michelle Harris filed a Motion to Intervene, stating, *inter alia*, that she had
13 been appointed as a representative of ratepayer residents of Verrado by virtue of her position on
14 Verrado's Utilities Council and that she is responsible to communicate regarding this matter to
15 Verrado's Board and Verrado ratepayers. Ms. Harris's Motion to Intervene did not include any form
16 of resolution from the Verrado Board authorizing her to serve as a representative for Verrado or
17 Verrado's Utilities Council.

18 Also on July 25, 2016, EPCOR filed a Notice of Schedule of Community Meetings, including
19 a schedule of eight community meetings held between July 11 and 19, 2016, in Sun City, Sun City
20 West, Buckeye, Anthem, and Bullhead City, Arizona, along with copies of the notices of those
21 meetings mailed to its customers in each area.

22 On July 28, 2016, a Motion to Intervene was filed by Stephen L. Fribley. Mr. Fribley did not
23 indicate that service of his Motion to Intervene had been filed upon any parties to this matter other than
24 EPCOR.

25 On July 28, 2016, a Procedural Order was issued granting intervention to Cross River HOA,
26 Willard Hansen, AIC, and Russell Ranch HOA and approving consent to email service for Douglas
27 Edwards, Diane Smith, CBCCA, Cross River HOA, and AIC. The Procedural Order also required Mr.
28 Fribley to provide service of his Motion to Intervene to the entire service list for this matter and to

1 make a filing indicating that such service has been made and declared that Mr. Fribley's Motion to
2 Intervene would not be deemed denied if it was not approved within 20 days of its original filing date.
3 Finally, the Procedural Order noted that it would be inappropriate to allow Ms. Harris to intervene on
4 behalf of Verrado or a Verrado special committee, as Verrado is already a party to this matter and is
5 represented by counsel.

6 On July 29, 2016, the City of Phoenix ("City") filed an Application to Intervene, stating that it
7 has a direct and substantial interest in this matter based upon an existing service agreement with
8 EPCOR to provide certain wastewater services in certain areas of the Anthem Water and Wastewater
9 Districts. The City stated that its interests are limited to the rates and charges proposed by EPCOR.
10 On the same date, the City filed a Consent to Service by Email, and the Hearing Division received a
11 verification email from the City.

12 Also on July 29, 2016, AIC filed a Notice of Errata correcting the email address for Gary
13 Yaquinto.

14 On August 2, 2016,⁴ a Request to Intervene and Consent to Email Service letter was filed by
15 Gary T. Osier, who identified himself as the Board Chairman of the GPO-18 Condominium Association
16 ("GPO-18"), an Arizona nonprofit corporation, and stated that he has been authorized by the GPO-18
17 Board to serve as GPO-18's representative in this matter. Mr. Osier stated that GPO-18 is a retail
18 customer of EPCOR and thus will be directly and substantially impacted by its rates.

19 Also on August 2, 2016, a Consent to Email Service was filed by Mr. Fribley, along with a
20 complete service list and a certification showing that both the Motion to Intervene and the Consent to
21 Email Service had been mailed/delivered/mailed to the service list.

22 On August 12, 2016, Staff filed Staff's Consent to Email Service.

23 On August 16, 2016, the Hearing Division received a verification email from Russell Ranch
24 HOA.

25 No objections have been filed to the intervention requests of Ms. Harris, Mr. Fribley, the City,
26

27 ⁴ Although the Request to Intervene was docketed on August 2, 2016, after the deadline for intervention on August 1,
28 2016, the Request to Intervene is accepted as timely. A courtesy copy of the Request to Intervene, presumably mailed at
the same time as the copies for filing, was received by the Hearing Division on August 1, 2016. It appears that the original
and copies for filing were delayed in the mail.

1 or GPO-18, all of which have been served upon the parties to this matter. Thus, it is appropriate at this
2 time to grant intervention to Ms. Harris, Mr. Fibley, the City, and GPO-18.

3 Additionally, as all of the steps for approval of email service consent have been completed by
4 Russell Ranch HOA and the City, it is also appropriate at this time to approve email service consent
5 for Russell Ranch HOA and the City. Because the Hearing Division has not yet received verification
6 emails from Mr. Fibley, GPO-18, or Staff, it is not yet appropriate to approve their respective consents
7 to email service.

8 IT IS THEREFORE ORDERED that **intervention** is hereby granted to **Michelle Harris,**
9 **Stephen L. Fibley, the City of Phoenix,** and the **GPO-18 Condominium Association.**

10 IT IS FURTHER ORDERED that the requests by **Russell Ranch HOA and the City of**
11 **Phoenix** to receive service of all filings in this docket, including all filings by interested persons and
12 Staff and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued
13 by the Commission's Hearing Division, via their respective designated email addresses rather than via
14 U.S. Mail, are hereby **approved.**

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IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 17th day of August, 2016.


SARAH N. HARPRING
ADMINISTRATIVE LAW JUDGE

On this 17th day of August, 2016, the foregoing document was filed with Docket Control as a Procedural Order – Regarding Intervention, and copies of the foregoing were mailed on behalf of the Hearing Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

Thomas Campbell
Michael T. Hallam
Lewis Roca Rothgerber Christie, LLP
201 E. Washington St.
Phoenix, Arizona 85004
Attorneys for EPCOR Water Arizona, Inc.
TCampbell@lrrc.com
MHallam@lrrc.com
SHubbard@epcor.com
SMahler@epcor.com
Consented to Service by Email

Michele Van Quathem, PLLC
7600 N. 15th St., Suite 150-30
Phoenix, Arizona 85020
Attorney for Verrado Community Association, Inc.;
DMB Verrado Golf I LLC; and Verrado ARC LLC
mvq@mvqlaw.com
Consented to Service by Email

Jenna R. Kohl, Community Executive Officer
Roger G. Willis, Vice President
Chair, Anthem Utilities Panel
Anthem Community Council, Inc.
3701 West Anthem Way, Suite 201
Anthem, Arizona 85086
jkohl@anthemcouncil.com
roger@willis-home.com
Consented to Service by Email

Greg Eisert, Director
Steven Puck, Director
Sun City Home Owners Association
10401 W. Coggins Drive
Sun City, Arizona 85351
gregeisert@gmail.com
Consented to Service by Email

Al Gervenack, Director
Government Affairs Chairman
Sun City West Property Owners & Residents Association
13815 Camino Del Sol
Sun City West, Arizona 85372
al.gervenack@porascw.org
rob.robbins@porascw.org
Consented to Service by Email

Frederick G. Botha
23024 N. Giovata Dr.
Sun City West, Arizona 85375
fgbotha45@gmail.com
Consented to Service by Email

Frances A. Noe, Advisory Committee Chairman
Cross River Homeowners Association
11756 West Daley Lane
Sun City West, Arizona 85373
noeshomes@earthlink.net
Consented to Service by Email

Douglas Edwards
13517 W. Sola Drive
Sun City West, Arizona 85375
d.edwards795@yahoo.com
Consented to Service by Email

Diane Smith
13234 W. Cabrillo Drive
Sun City West, Arizona 85375
Skylar_98@q.com
Consented to Service by Email

Regina Shanney-Saborsky
Government Affairs Committee Member
Corte Bella Country Club Homeowner's
Association
22155 North Mission Drive
Sun City West, Arizona 85375
rsaborsky@cox.net
Consented to Service by Email

Meghan H. Grabel
Kimberly A. Ruht
Osborn Maledon, P.A.
2929 North Central Avenue, Suite 2100
Phoenix, Arizona 85012
Attorneys for Arizona Investment Council
kruht@omlaw.com
mgrabel@omlaw.com
gyaquinto@arizonaic.org
Consented to Service by Email

Jeffrey W. Crockett
Crockett Law Group PLLC
2198 East Camelback Road, Suite 305
Phoenix, Arizona 85016
Attorneys for Russell Ranch Homeowners'
Association, Inc.
jeff@jeffcrockettlaw.com
rspradlinrr@gmail.com
Consented to Service by Email

Brad Holm, City Attorney
Monique Coady, Assistant City Attorney
City of Phoenix
200 West Washington, Suite 1300
Phoenix, Arizona 85003-1611
Attorneys for City of Phoenix
monique.coady@phoenix.gov
Consented to Service by Email

By: RTallman
Rebecca Tallman
Assistant to Sarah N. Harpring

Greg Patterson
Munger Chadwick
916 West Adams, Suite 3
Phoenix, Arizona 85007
Attorney for Western Infrastructure
Sustainability Effort

Daniel W. Pozefsky
Chief Counsel
Residential Utility Consumer Office
1110 West Washington St., Suite 220
Phoenix, Arizona 85007

Willard R. Hansen
12302 Swallow Drive
Sun City West, Arizona 85375

Stephen L. Fribley
10214 West Desert Rock Drive
Sun City, Arizona 85351-1647

Michelle Harris
20375 West Springfield Street
Buckeye, Arizona 85396

Gary T. Osier, Board Chairman
GPO-18 Condominium Association
9714 West Gulf Hills Drive
Sun City, Arizona 85351

Janice Alward, Chief Counsel
Robin R. Mitchell, Attorney
Maureen A. Scott, Senior Staff Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007
Attorneys for the Utilities Division

Thomas Broderick, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007